

## **FISCAL NOTE**

### **HB 63 - SB 251**

February 13, 2007

**SUMMARY OF BILL:** Defines “qualified rehabilitation professional” and changes the requirements for licensing home care organizations providing prescribed wheeled mobility devices. The Bureau of TennCare is required to reimburse for wheeled mobility devices at a level equal to the levels allowed under the Medicare program.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$218,600**

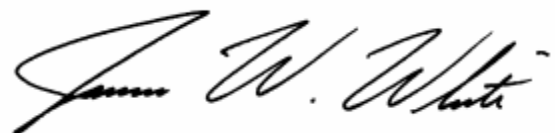
**Other Fiscal Impact – Increase Federal Expenditures - \$383,500**

#### **Assumptions:**

- Currently, the Medicare rate for wheelchairs is approximate 22.6% greater on average for reimbursement than the reimbursement rate of TennCare according to the Medicare Durable Medical Equipment reimbursement rates for Tennessee.
- In FY 2006, TennCare expenditures for wheelchairs and related supplies totaled \$2,664,162.
- The increase in expenditures as a result of the Bureau of TennCare increasing the reimbursement rate to equal that of the Medicare program is estimated to be \$602,100 ( $\$2,664,162 \times 22.6\%$ ).
- Of this amount, the increase in state expenditures will be \$218,592 (at a match rate of 36.305%) and federal expenditures will be \$383,508 (at a match rate of 63.695%).
- The Board of Licensing Health Care Facilities will not incur a significant increase in expenditures to investigate any complaints that may be filed due to the changes in code. All Health Related Boards, by statute, are self-supporting such that expenditures equal revenues.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director